



IowaCare Implementation & Experience at the University of Iowa Hospitals and Clinics

Prepared for

Medical Assistance Projections and Assessment Council

Prepared By

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Transition from State Papers to IowaCare

- Perkins Act of 1915 created the Indigent Patient Care Program (State Papers program) for indigent Iowa children under the age of 16 and residents of state institutions at the University of Iowa Hospitals and Clinics.
- Haskell-Klaus Act of 1919 added care for indigent adults under the Indigent Patient Care Program.
- lowaCare Act of 2005 eliminated the 90 year old Indigent Patient Care Program for county residents effective July 1, 2005 (much of this population is covered under the new program) but retained the UIHC/CCOM obligation to care for residents of state institutions.
- IowaCare was created in large part to generate funds to replace the loss of intergovernmental transfer dollars for the State.





Summary of Select Differences Between IowaCare & State Papers

Area	IowaCare	State Papers
Premium payment requirement	Yes, but hardship exemptions exist	No
Drug co-payment requirement	Yes	No
Drug & Durable Medical Equipment coverage	No, with limited exceptions	Yes
Coverage commitment for entire year	No	Yes
Potential for mid-year benefit reductions	Yes	No
Retroactive coverage	Only 1 month if requested at time of application	Yes
Ability for counties to manage enrollment	No	Yes
Flexibility to cover people with incomes greater than 200% of the Federal Poverty Level	Limited to former State Papers patients with chronic conditions	Yes
Lodging provided to recipients	No	Yes
Transportation provided to recipients	Not Required	Yes





Regents Were Required to Execute an Agreement* Related to IowaCare on behalf of the University of Iowa Hospitals and Clinics

- 28 29 7. The state board of regents, on behalf of the university
- 28 30 of Iowa hospitals and clinics, and the department shall
- 28 31 execute an agreement under chapter 28E by July 1, 2005, and
- 28 32 annually by July 1, thereafter, to specify the requirements
- 28 33 relating to distribution of moneys to the hospital from the
- 28 34 Iowacare account. The agreement shall include provisions
- 28 35 relating to exceptions to the deadline for submission of clean
- 29 1 claims as required pursuant to section 249J.7 and provisions
- 29 2 relating to data reporting requirements regarding the
- 29 3 expansion population.

Task Completed: July 15, 2005





UIHC Duties Under the 28E Agreement

- UIHC shall provide the following services:
 - UIHC agrees to comply with all applicable provisions of House File 841.
 - UIHC shall submit clean claims to the Department for services provided to lowaCare Enrollees.
 - The claims shall be submitted to the Department with appropriate documentation as necessary to support all charges included on the claim. Alternate Medicaid provider numbers will be assigned to track claims attributable to IowaCare members. The alternate Medicaid provider numbers must be placed on all claims.





UIHC Duties Under the 28E Agreement (cont.)

- UIHC shall provide the following services:
 - All clean claims shall be submitted to the Department within twenty days of the date of provision of service to an expansion population member. As provided for in House File 841, Division VII, Section 25, Subsection 7, the Department and UIHC agree that compliance with this requirement shall be determined on the basis of UIHC's success in submitting lowaCare clean claims to Department within the historical timeframes within which UIHC has submitted Medicaid clean claims, measured in the aggregate.
 - Claims shall be submitted electronically to the Iowa Medicaid Enterprise whenever possible. If a paper claim must be submitted, it will be sent to the Iowa Medicaid Enterprise at P.O. Box 15001, Des Moines, Iowa 50315.





DHS Duties Under the 28E Agreement

- The Department shall provide the following services:
 - The Department agrees to comply with all applicable provisions of House File 841.
 - The Department agrees to assign Alternate Medicaid provider numbers to track claims attributable to lowaCare members.
 - The Department agrees to make eligibility determinations for lowaCare and any other program relevant to the appropriation paid to UIHC in a timely manner pursuant to applicable law.
 - The Department shall pay UIHC on the first day of each month, or as soon as practicable thereafter, 1/12th of the \$27,284,584 appropriation.





DHS Duties Under the 28E Agreement (cont.)

- The Department shall provide the following services:
 - The Department shall provide an electronic remittance advice for all claims submitted consistent with the current lowa Medical Assistance remittance schedule. The format for the remittance advice will follow current CMS regulations for a HIPAA compliant 8351 electronic remittance.
 - The Department shall permit the University of Iowa Carver College of Medicine to submit claims electronically to document physician services provided. These claims shall not be subjected to edits or adjudication and shall not be viewed as a billing for non-covered services. The claims shall be stored on the Department's data warehouse and may be utilized for research purposes.
 - The Department shall have primary responsibility for assuring timely communication to current and potential lowaCare enrollees and the public concerning eligibility and benefits.
 - The Department will submit to the lowa Legislature aggregated UIHC claims data concerning the timeliness of claims.





Regents Are Required to Participate in a Workgroup to Review Provision of Care to State Institution Patients*

- The director of human services shall convene a workgroup comprised of the director, the director of the department of corrections, the president of the state board of regents, and a representative of the university of lowa hospitals and clinics to review the provision of treatment and care to the inmates, students, patients, and former inmates.
- The number and costs of caring for such patients shall be examined, as well as the effect of any proposed alternatives for provision of care and treatment for inmates, students, patients, or former inmates, including the proposed completion of the hospital unit at the lowa state penitentiary at Fort Madison.
- The workgroup shall submit a report of its findings to the governor and the general assembly no later than December 31, 2005.

NOTE: No meetings scheduled yet.





UIHC Created an IowaCare Assistance Center to Aid Patients and Providers

- The Center can provide patients and care providers with information about the lowaCare program and covered services, application forms and information about local lodging and transportation options. In addition, the Center can help with planning care for former State Papers patients who do not qualify for lowaCare.
- The Center is directed by Peggy O'Neill, R.N., MSN, Director, Continuum of Care Management. Janet Schlechte, M.D., serves as Medical Director. Several registered nurses with case management training staff the Center.
- The Center's phone number is (319) 356-1000.







IowaCare Benefit Services at University of Iowa Hospitals and Clinics

The IowaCare Assistance Center (319)356-1000

IMPORTANT: Please read this brochure and Keep for future reference.





Qualifications for IowaCare Benefits

The IowaCare program is administered by the State of Iowa Department of Human Services. For more information, please call (800)338-8366.

Qualification criteria includes:

- You must be an Iowa resident.
- You must be between the ages of 19 and 64 and/or a pregnant woman with an income at or below 200 percent of the Federal Poverty Level without other Insurance coverage.
- Individuals must pay a premium at the end of each month.
- Failure to pay your monthly premium may result in a discontinuation of IowaCare.

Please Note: The IowaCare benefits program covers only limited services received at University of Iowa Hospitals and Clinics





Information about LIMITED services and/or services NOT covered under IowaCare at University of Iowa Hospitals and Clinics

- Routine dental care is NOT covered under IowaCare at University of Iowa Hospitals and Clinics
- Drug benefits are very limited.
 - A maximum of a 10-day supply of take-home drugs prescribed for a condition or treatment related to an inpatient stay upon discharge from the hospital.
 - Prescription medication is otherwise NOT covered and patients should arrange for self payment at University of Iowa Hospitals and Clinics pharmacy or pharmacy of choice.
- Durable Medical Equipment (DME) is NOT covered under IowaCare.
 - University of Iowa Hospitals and Clinics is NOT an approved mental health care provider under IowaCare.
 - Individuals must go to state mental health providers for these services





What is the IowaCare Assistance Center at University of Iowa Hospitals and Clinics?

The IowaCare Assistance Center at University of Iowa Hospitals and Clinics is a team of health care professionals working to assist patients with IowaCare coverage receive care more easily, by:

- Ensuring appointments scheduled match the care needed.
- Reviewing appointments for medical and surgical need.
- Scheduling appointments for patients who call: (319)356-1000.





Who should I call if I have questions?

- If you have questions about IowaCare benefits and coverage, please contact the Iowa Department of Human Services toll-free at 800-338-8366.
- To apply for IowaCare please pick up an application at your local DHS office or call the University of Iowa Hospitals and Clinics customer service office at (319)356-2211 between the hours of 8:00 AM and 4:00 PM.





Please Remember:

IowaCare benefits cover limited services received at University of Iowa Hospitals and Clinics



The IowaCare Assistance Center at University of Iowa Hospitals and Clinics

Iowa City, IA 52242 Phone (319)356-1000 http://www.uihealthcare.com





DHS Sent a Letter to Former State Papers Patients



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES KEVIN W. CONCANNON, DIRECTOR

June 21, 2005

Dear Iowan:

Iowa's program to provide medical care for people with limited income but who are not eligible for Medicaid will soon be replaced and expanded. I want to give you some details.

You are receiving this letter because in the last year you received "State Papers" from a county that enabled you to receive health services at the University of Iowa Hospitals and Clinics in Iowa City. The State Papers program will be replaced with a new state program called IowaCare on July 1.

I want to assure you that services will continue if you have an ongoing need for care.

If you are receiving health care services under the State Papers program, you need to apply for IowaCare. Enrollment is not automatic. I'm enclosing the application form, which you should complete and then take or mail to your local Iowa Department of Human Services office. The DHS will start processing applications July 1, but you can mail it before then if you wish.

Please help us process your application by attaching the tear-off section on the second page of this letter. This lets the DHS know that you are currently in the State Papers program.

The benefits that you have received at University Hospitals will now go to a wider group of people under IowaCare. Generally, eligible people include:

- People with adjusted household incomes at or below 200% of the federal poverty level, which is about \$2,139/month for a family of two. "Adjusted" means that you get to subtract 20% of all household income that is earned at a job. Single adults and childless couples will be eligible, as well as people with families.
- Everyone in the State Papers program who has an appointment or some other service scheduled in July or August.







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There is one category of State Papers recipients who will not be eligible for lowaCare. These are the people whose household income is above 200% of the federal poverty level AND who received State Papers for the treatment of a non-chronic health issue, such as a broken arm.

To help defray the cost of expanding this benefit to more Iowans, participants in IowaCare will pay a small monthly premium determined by income. It will range from zero to about \$75 a month per covered person.

You'll find that the form is straight-forward and easy to fill out. We have included a stamped envelope but you need to address it to the DHS office in your county. We're in the phone book in the State Government listings, or you can call toll-free 1-877-347-1633 to find the correct address for the office in your area.

If you have questions, call your local Department of Human Services office.

Sincerely,

Eugene S. Genow / PEB

Gene Gessow, Director Iowa Medicaid and Iowa/Care

lowa Department of Human Services

Tear here and include portion below with your lowsCare application.

 \Longrightarrow

To the Iowa Department of Human Services

I am currently receiving State Papers services for treatment of ongoing (chronic) health problems. Please take that into consideration as you process my lowaCare application.

Print Name

Signature and Date





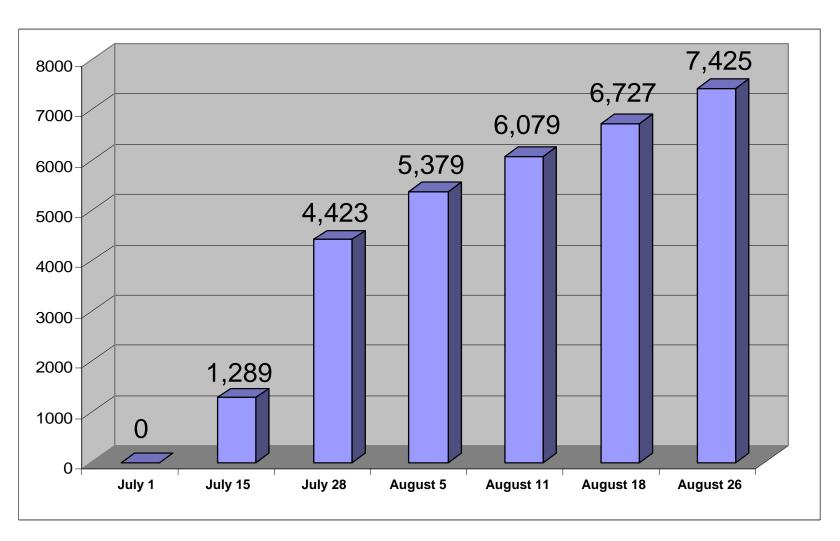
Patients with On-Going Chronic Care Needs

- Coverage may also be provided to former State Papers patients with incomes above 200% of the Federal Poverty Level if they are being treated for ongoing (chronic) health problems.
- These patients must request the Department of Human Services consider their chronic needs when their IowaCare application is processed. The University of Iowa Hospitals and Clinics will assist with this determination.
- Patients approved for this coverage will be provided a letter by DHS indicating they have coverage only for the existing chronic condition(s), as will the UIHC.
- Coverage includes pharmaceuticals and durable medical equipment necessary for treatment of the chronic condition.
- Patients approved for this coverage do not pay premiums.
- Care provided to these patients counts toward the \$27.3 M appropriation to the UIHC.
- 88 patients have been approved for this coverage as of August 26, 2005.





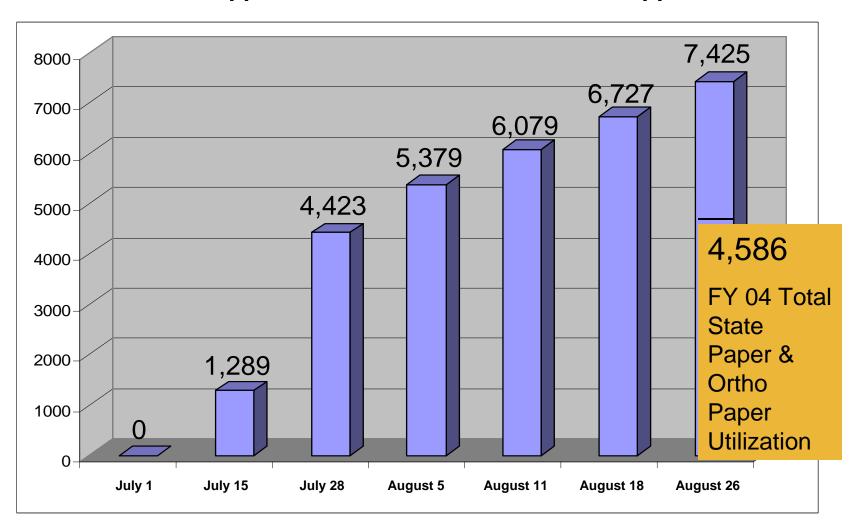
Cumulative Approved IowaCare & Chronic Care Applications







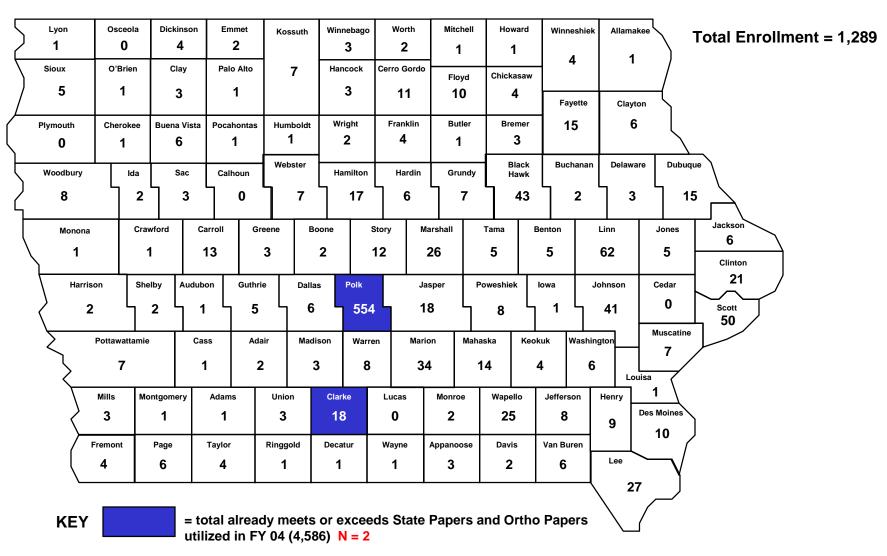
Cumulative Approved IowaCare & Chronic Care Applications







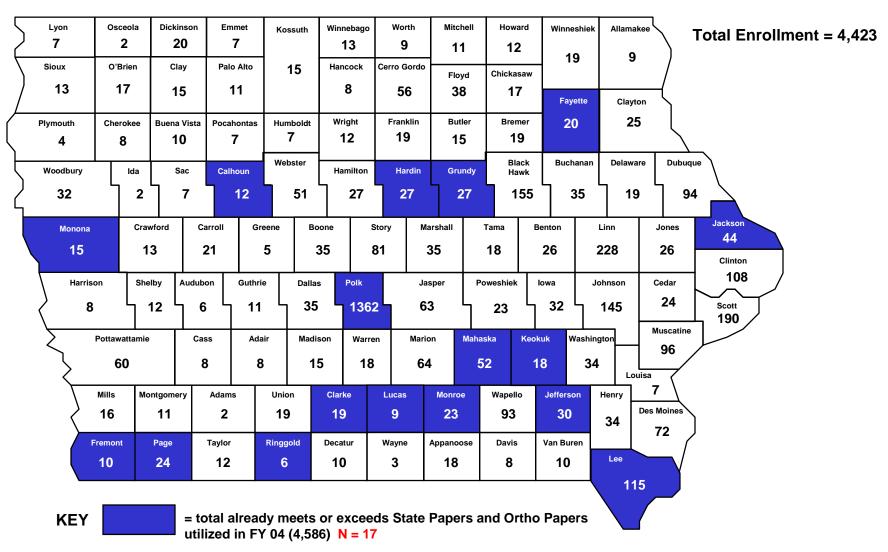
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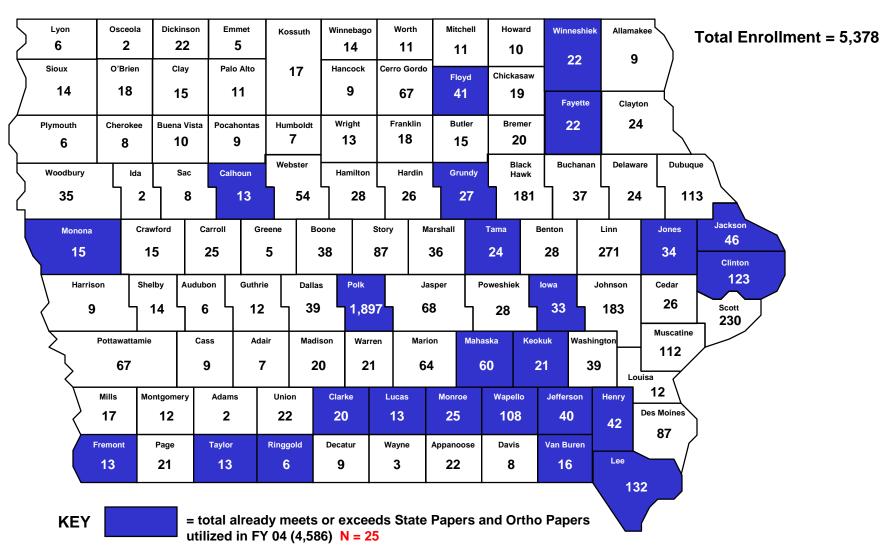
Approved IowaCare & Chronic Care Applications as of July 28, 2005







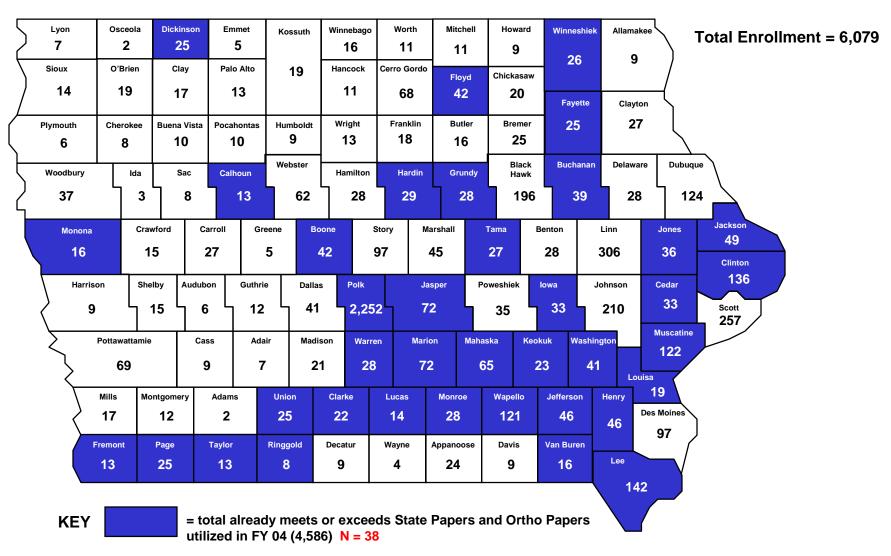
Approved IowaCare & Chronic Care Applications as of August 5, 2005







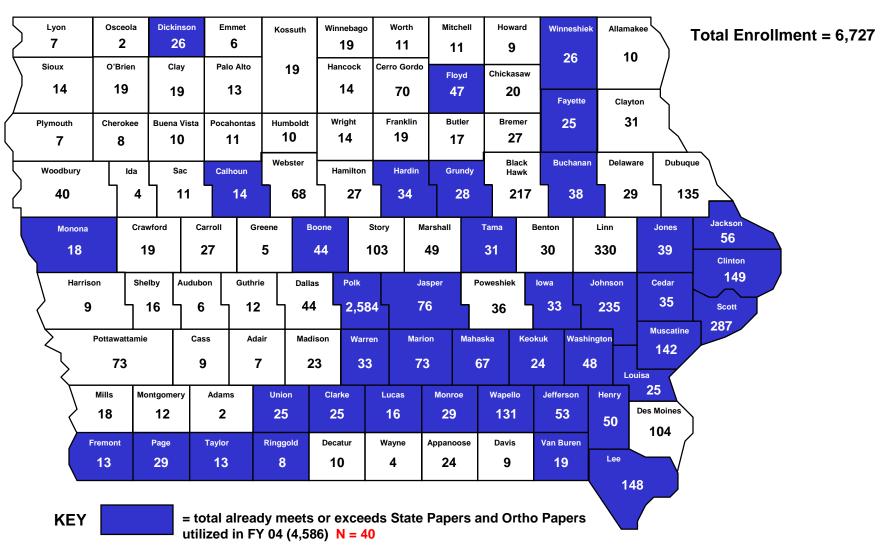
Approved IowaCare & Chronic Care Applications as of August 11, 2005







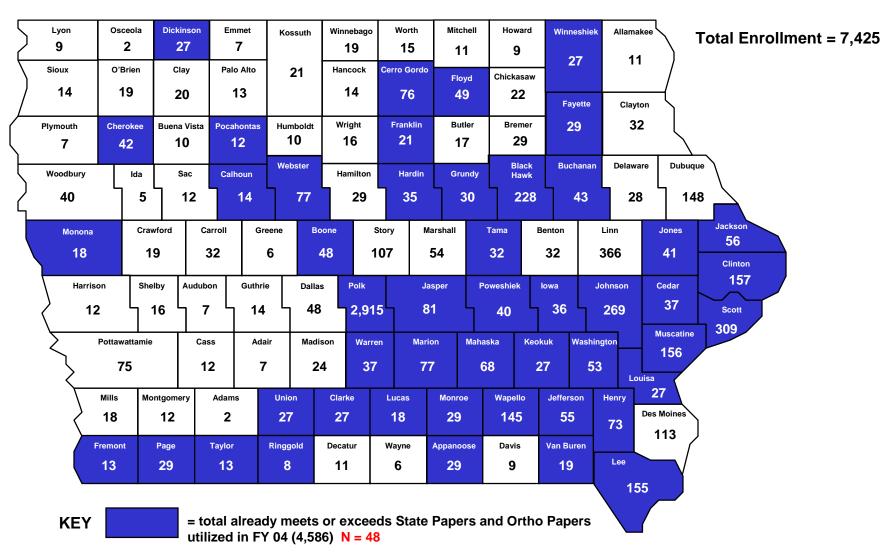
Approved IowaCare & Chronic Care Applications as of August 18, 2005







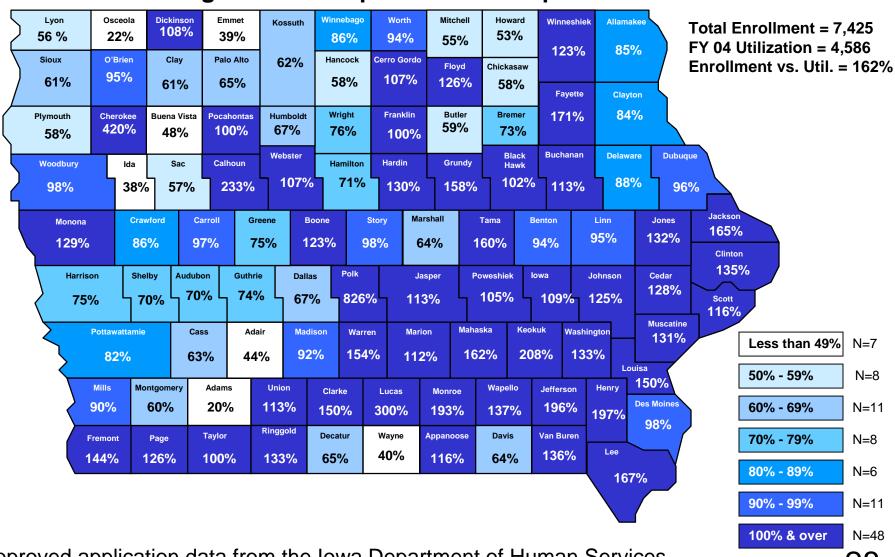
Approved IowaCare & Chronic Care Applications as of August 26, 2005







Approved IowaCare & Chronic Care Applications as of August 26, 2005 as a Percentage of State Papers & Ortho Papers Utilized in FY 04



Approved application data from the Iowa Department of Human Services.

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UIHC Experience with IowaCare and Chronic Care Patients through August 26, 2005

- 7,425 people are enrolled statewide in IowaCare or Chronic Care (162% of FY 04 State Paper & Ortho Paper utilization of 4,586).
- 5,128 people enrolled in IowaCare or Chronic Care have not yet scheduled any appointments at the UIHC (69.1%).
- 2,297 people enrolled in IowaCare or Chronic Care have had or currently are scheduled for an appointment at the UIHC.
- 1,480 different IowaCare or Chronic Care patients have already been seen at the UIHC.
- 1,316 of the people who have had or currently are scheduled for an appointment at the UIHC previously had a State Paper or an Ortho Paper (57.3%).
- 3,610 visits for lowaCare or Chronic Care patients have already occurred at the UIHC.





UIHC Experience with IowaCare and Chronic Care Patients through August 26, 2005 (cont.)

 The most common diagnosis related groups (DRGs) for IowaCare and Chronic Care patients at the UIHC include:

Rank	DRG Description
1	410 - Chemotherapy w/o acute leukemia as secondary diagnosis
2 tie	202 - Cirrhosis & alcoholic hepatitis
2 tie	28 - Traumatic stupor & coma, coma , 1 hr, age > 17 w cc
4 tie	219 - Lower extrem & humer proc except hip, foot, femur, age > 17 w/o cc
4 tie	449 - Poisoning & toxic effects of drugs, age > 17 w cc
6 tie	63 - Other ear, nose, mouth & throat OR procedures
6 tie	124 - Circulatory disorders except AMI, w card cath & complex dx
6 tie	143 - Chest pain
6 tie	415 - OR procedure for infectious & parasitic diseases
6 tie	209 - Major joint & limb reattachment proc of lower extremity
6 tie	105 - Cardiac valve proc w/o card cath
6 tie	174 - GI hemorrhage w cc





UIHC Experience with State Papers Patients FY 04

 The most common diagnosis related groups (DRGs) for State Papers patients at the UIHC in FY 04 include:

Rank	DRG Description
1	359 - Uterine & adnexa proc for non-malignancy w/o cc
2	209 - Major joint & limb reattachment procedures of lower extremity
3	125 - Circulatory disorders except AMI, w card cath w/o complex dx
4	25 - Seizure & headache, age >17 w/o cc
5	143 - Chest pain
6	124 - Circulatory disorders except AMI, w card cath & complex dx
7	182 - Esophagitis, gastroent & misc digest disorders, age > 17 w cc
8	204 - Disorders of pancreas except malignancy
9 tie	109 - Coronary bypass w/o cardiac cath
9 tie	202 - Cirrhosis & alcoholic hepatitis







UIHC Experience with IowaCare and Chronic Care Patients through August 26, 2005 (cont.)

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6 tie	415 - OR procedure for infectious & parasitic diseases
6 tie	209 - Major joint & limb reattachment proc of lower extremity
6 tie	105 - Cardiac valve proc w/o card cath
6 tie	174 - GI hemorrhage w cc





UIHC Experience with IowaCare and Chronic Care Patients through August 26, 2005 (cont.)

- The value of donated physician services at the UIHC for lowaCare or Chronic Care patients is \$3.4 M.
- The value of hospital services at the UIHC for IowaCare or Chronic Care patients is \$10.2 M.
- Anticipated Medicaid reimbursement associated with the UIHC services is \$3.7 M (implies 13.6% of the \$27.3 M appropriation for the UIHC for the entire FY 06 time period has already been expended during this start-up phase).
- IowaCare volume at the UIHC is expected to increase significantly with the resolution of implementation issues and continued growth in enrollment.





Recommendations

- Expand the pharmaceutical benefit for enrollees, at least until the pharmaceutical clearinghouse is up and running.
- Permit coverage of durable medical equipment, at least in cases where its provision could reduce or eliminate the need for hospitalization.
- Verify enrollment information to minimize fraudulent expenditures.
- More clearly identify the psychiatric coverage on DHS's IowaCare application.
- Continue to monitor the program closely given its rapid and continuing enrollment growth.





QUESTIONS?